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Thai Foreign Policy in the Post-Vietnam Period

DIA Review Completed

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INTERAGENCY INTELLIGENCE MEMORANDUM

SUBJECT: Thai Foreign Policy in the Post-Vietnam Period*

Precis

- The speed of the Communist takeover of Indochina has deeply shocked the Thai and accelerated trends away from reliance on the US security commitment.
- Events are still moving too fast for the Thai to have come to any firm conclusions on long-term adjustments of their foreign policy, but we believe that they will clearly move toward a neutral position.
 - This is likely to be the case whatever government is in power.
- The special Thai-US rapport has ended.
 - The Thai will probably attempt to keep a relatively close relationship with the US; in particular they will continue to look to the US as an important economic partner and for military assistance.
 - Even so, we believe the Thai government will stick to its demand that US forces be withdrawn within 12 months.

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* This memorandum has been prepared by the Central Intelligence Agency, the Defense Intelligence Agency, and the Bureau of Intelligence and Research, Department of State.

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- As the Thai put more distance between themselves and the US they will move toward improved relations with Hanoi, Peking, and Moscow.
- Diplomatic relations with Hanoi seem probable; but not before US forces are withdrawn.
- Although there is general agreement on the need to improve relations with China, pressure from the military to go slow and problems over the status of Chinese aliens make it unlikely that formal ties can be established before the end of the year.
- The Thai are probably prepared now to make some gestures in the direction of closer relations with the Soviet Union, primarily as a means of enhancing Thailand's neutralist credentials in the eyes of competing communist powers.

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DISCUSSION

1. In our last National Estimate on Thailand, we concluded that the Thai would continue to value a close relationship with the US, but would seek a significant readjustment of that relationship; that for security reasons the Thai would continue to accept the need for a limited US military presence, at least for the next year; and that over the longer term Thai foreign policy would likely move further away from its close relationship with and dependence on the US.* We are reexamining these judgments in light of the extraordinary developments in Indochina during the past month.

2. Thailand, of all Southeast Asian countries outside Indochina, has been most affected by the events in South Vietnam and Cambodia. Thai concern that the United States is abandoning Southeast Asia has heightened, with the main theme in the response to Indochina developments being that the US contributed too little aid and demonstrated inadequate staying power. Although the Thai have not yet precisely concluded how they will readjust their foreign policy in coming years, one thing is certain: the US will have less prestige and influence in Bangkok, while Hanoi, Peking, and possibly Moscow, will have more. Indeed, there is already evidence of accelerating trends in Thailand toward diplomatic relations with communist powers in Asia and less reliance on US security commitments. We have thus seen in Bangkok an increasing orientation toward a neutral foreign policy, characterized by:

- Increased dissociation from US Indochina policy, and decreased confidence in the value of the US security shield;
- Willingness to deal with communist governments in Cambodia and Vietnam and more intensive efforts to achieve rapprochement with other Communist powers;

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- Efforts to make ASEAN into a strong regional organization; and
- Stronger "Third World" identification in such forums as the UN.

General Directions of Thai Foreign Policy

3. The Khukrit government or any successor government formed by the present National Assembly would be likely to endorse these trends in Thai foreign policy. A center-left coalition would be even more apt to accelerate movement away from Thailand's close identification with the US. Even another conservative-based parliamentary government would not alter the basic direction of Thai foreign policy.

4. If the military took over the government they would initially be more cautious toward accommodation with Hanoi and Peking and would clearly be more comfortable with the idea of maintaining close ties with the US. But they would also be inclined to endorse a neutralist foreign policy, especially if they believed that the US would not stand by Thailand in the event of communist attack or stepped-up external support to the insurgency.

5. The Thai foreign ministry, headed by the politically ambitious Chatchai Chunhawan, is taking the lead in advocating rapid change in Thai foreign policy. Chatchai, while essentially a conservative, is promoting a long-range policy of reducing dependence on the US while exploring other means of guaranteeing Thailand's security. He is advocating a Southeast Asian zone of neutrality. He also believes in improving Thailand's relations with China and the Soviet Union in order to achieve a better balance of interests among the superpowers in Thailand and in the region.

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The US Connection

6. The likelihood of a communist takeover in Indochina is intensifying the Thais' reevaluation of their long-standing close relations with the US. Since they have few foreign policy options, they will see even a limited US involvement with Southeast Asia as a useful counterbalance to Peking, Hanoi, and Moscow. While the Thai no longer see the US as a reliable guarantor of their security, they are not ready to sever their ties with the US. Prime Minister Khukrit recently told a US official that it was in the fundamental interest of Thailand to keep the friendship and support of the US but that "new methods" would have to be found to accomplish this objective.

7. Thailand's extensive economic links with the US would also make it difficult for Bangkok to untie itself rapidly from Washington. The US is the most important market for Thai exports after Japan and is Thailand's second most important import supplier. The US is also the largest source of tourist revenues and a major source of private foreign investment.

8. The Thai government is publicly committed to the withdrawal of all US forces in Thailand within 12 months, even though it has left itself a loophole to the effect that withdrawal would have to take into consideration "the situation in the region." Khukrit has also indicated to US officials that the government's private position is more flexible than its public position, but Thai public reaction to events in Indochina indicates that the government will come under increased pressure to end the US military presence quickly -- in part as a means of reaching an accommodation with Hanoi. There is widespread feeling in Thailand that the lack of a US military response to the events of the past month in Indochina removes the rationale for keeping US troops in Thailand and that prompt withdrawal is essential to prevent this

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"irritant" from poisoning other aspects of US-Thai relations. Moreover, it seems highly unlikely that the Khukrit government or any elected successor is prepared to defend an indefinite presence of US forces before a National Assembly whose membership is more militantly nationalistic than any in memory.

9. The Thai military, who have been the staunchest defenders of the US presence, have expressed strong disappointment that Thai-based US aircraft were not sent into action over Indochina. Having long identified these aircraft with what they felt to be a US security commitment to Thailand, even the Thai military are now questioning the value of keeping the US military presence.

10. In the final analysis, domestic politics will probably prove to be the decisive factor in shaping government policy toward the US military presence. We believe that the government will stick to its demand that US forces be withdrawn within 12 months.

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In any event, the Thai will press the US to maintain a substantial military assistance program.

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Moves Toward the Communist Powers

11. Since mid-March the new Thai government has been preparing to put itself on the best possible footing with the emerging communist regime in Phnom Penh and with Hanoi and Peking. The Prime Minister spoke out publicly against the US airlift of arms to Cambodia from Thailand and affirmed his government's intentions to have all US military forces withdrawn from his country within 12 months. Bangkok has already renewed diplomatic approaches to Hanoi and Peking. But the Khukrit government's most concrete demonstrations to date that it wishes to accommodate with communist powers in Asia have been its quick recognition of the new government in Phnom Penh and its decision to establish diplomatic relations with North Korea. This latter step was relatively easy for the Thai since they do not view Pyongyang as a security threat, and they were able to preserve their relations with Seoul.

China

12. There is general agreement within the government on the need to improve Thailand's relations with China. Thai objectives in this regard would be to:

- Lessen Peking's support to Thai insurgents;
- Balance North Vietnam's increased influence in the region;
- Play on differences between Hanoi -- regarded as Thailand's most dangerous adversary -- and Peking as a means of insuring Thailand's territorial integrity.

13. Considerable difference of opinion exists in Thailand on how best to proceed with China. The government is under pressure from military and security officials to go slow in normalizing relations out of fear that a Chinese embassy in Bangkok would serve as a center for espionage and subversion. The government also

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has to consider the views of politically powerful Chinese businessmen, many of whom have extensive commercial dealings with Taiwan.

14. One of the most formidable obstacles confronting Bangkok concerns the legal status of Thailand's sizable overseas Chinese population. Many of the approximately 800,000 Chinese aliens are citizens of the Nationalist government on Taiwan. While large numbers of this group might switch their citizenship to Peking once Bangkok severed ties with Taiwan, many others would probably prefer to apply for Thai citizenship. Offering Thai citizenship to this group, whose political loyalties to Thailand have long been suspect, is a highly controversial issue within the government. Although none of these obstacles is in itself insurmountable, together they make it unlikely that formal ties with Peking can be established before the end of the year.

15. Peking apparently has not yet responded to Chatchai's recent confidential overtures for a new round of talks, although it must certainly be encouraged by Bangkok's outspoken desire for better relations. While they have not set any conditions with the Thai before diplomatic ties can be established, there is some evidence that the Chinese are signaling their displeasure with Thailand's anti-communist law, which prohibits travel to communist countries by Thai citizens. For their part, the Thai are unlikely to obtain absolute assurance against Chinese support to the Thai insurgency; in any event, such support is likely to continue in order to keep a link with the insurgency and keep Hanoi from gaining a monopoly over it.*

* The Director, Defense Intelligence Agency, notes that in pursuing its interests abroad, Peking follows a two-pronged approach that features correct diplomatic relations at one level and subversion and support of insurgency at another. He also notes that in the wake of Indochina developments, Peking will see support of the Thai insurgency as an increasingly viable option. The Director, Defense Intelligence Agency, thus believes that Chinese Communist support of the Thai insurgency not only will continue but is likely to increase.

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North Vietnam

16. While most Thai believe that rapprochement with Peking is only a matter of time, they view diplomatic reconciliation with Hanoi as being no less difficult today than it was when Thailand was actively supporting the US war effort in Indochina. The foreign ministry looks upon the exchange of diplomatic notes between Hanoi and Bangkok last winter as little more than a propaganda exercise on Hanoi's part. Recent events in Vietnam have had a sobering effect on Thailand's liberals, who are beginning to accept what has long been an article of faith among the Thai military: that Hanoi represents a far more serious threat to Thailand than Peking, principally because of North Vietnam's continued support to the insurgents in north-east Thailand. Indeed, the Thai now fear, perhaps rightly so, that North Vietnam will step up its support to the insurgents. It thus seems highly unlikely that the Thai will rush willy-nilly into negotiations "at any price" with the North Vietnamese.

17. Although friction will continue, diplomatic relations with Hanoi seem probable -- but not before US troops are withdrawn. Hanoi has already begun to soften its propaganda attacks in response to Bangkok's stated policy on the removal of US forces. In any future negotiations, the North Vietnamese will almost certainly press for assurances from the Thai that the US will not be allowed to reintroduce its military forces.

The Soviet Union

18. In bargaining for a larger share of US assistance, the Thai have often held out the prospect of improving relations with the Soviets. Privately, however, the Thai have never viewed such a prospect seriously, finding the Soviets difficult to deal with. In addition, the Thai view improved relations with the Soviets primarily as a means of enhancing Thailand's neutralist credentials. The Thai, however, are probably

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prepared now to make some gestures in the direction of closer Soviet-Thai relations in view of recent events in Indochina. Some influential Thai believe that Bangkok must improve its relations with Moscow to counterbalance the influence of Hanoi and Peking. They feel that the US can no longer be expected to play this role effectively.

19. Moscow wants better relations with Bangkok in large part to counter the expansion of Chinese influence in Southeast Asia, but also to take advantage of declining US influence in the area. While the Soviets are unlikely to give Thailand military hardware or to guarantee its territorial integrity, they may offer economic assistance. Trade between the two countries is presently insignificant, however, and is not likely to grow much in the future.

ASEAN

20. The Thai are also showing an interest in strengthening the Association of Southeast Asian Nations (ASEAN)* as a possible alternative to reliance on the US for Thailand's security. To this end, the Thai, believing that SEATO is moribund, will want to discuss turning ASEAN into a mutual defense organization. This concept is likely to meet with very strong opposition from other ASEAN countries. In any event, the Thai will continue to cooperate with their ASEAN partners in adopting common positions on a wide variety of issues.

Outlook

21. We believe that the Thai will proceed cautiously as they continue to reformulate their foreign policy. They will probably attempt to keep a relatively close relationship with the US as long as possible, and strong existing economic ties will reinforce this. The Thai will still look to the US for basic support for their armed forces, especially as a supplier of badly needed spare parts and other forms of assistance. Even so, it is clear that the

* Formed in 1967, ASEAN consists of the Philippines, Malaysia, Indonesia, Singapore and Thailand.

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Thai will move quickly to reduce the US operational forces in Thailand. [REDACTED]

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22. In sum, the special rapport that the US has enjoyed with Thailand from 1950 until the early 1970s has come to an end. Special preferences for US interests are no longer politically viable in Thailand. Bangkok's efforts to improve its relations with its communist neighbors will require a much less forthcoming attitude toward the US in public and rule out a revival of the freedom with which the US has operated in Thailand.

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